APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/426,410	10/25/1999	EITHAN Y. EPHRATI	03660.P011	1848

7590   12/19/2002

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EXAMINER
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ART UNIT	PAPER NUMBER
3627	

DATE MAILED: 12/19/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 07-01)

	Application No.	Applicant(s)	
Office Action Summary	09/426,410	EPHRATI ET AL.	
	Examiner	**Art Unit**	
	Jennifer I. Harle	3627	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM
THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed
  after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any
  earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on _____ .

2a) ☐ This action is **FINAL**.   2b) ☒ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is
closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) *1-31* is/are pending in the application.

   4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) *1-31* is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

   Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11) ☐ The proposed drawing correction filed on _____ is: a)☐ approved b)☐ disapproved by the Examiner.

   If approved, corrected drawings are required in reply to this Office action.

12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

   a)☐ All b)☐ Some * c)☐ None of:

   1. ☐ Certified copies of the priority documents have been received.

   2. ☐ Certified copies of the priority documents have been received in Application No. _____ .

   3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage
   application from the International Bureau (PCT Rule 17.2(a)).
   * See the attached detailed Office action for a list of the certified copies not received.

14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).

   a) ☐ The translation of the foreign language provisional application has been received.

15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) *3,9* .

4) ☐ Interview Summary (PTO-413) Paper No(s). _____ .
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: .

DETAILED ACTION

Claims 1-31 are pending. Claims 1-31 are rejected.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

1.   Claims 7 and 18 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

In claim 7, the terms "exactly at least one" and "concurrent bilateral negotiation" are vague and indefinite. It is unclear whether Applicant intends to have only one other party involved in the negotiation or more than one. Additionally, concurrent can have several different meanings, which render this meaning unclear, i.e. running in parallel or acting in conjunction. For examination purposes, the examiner has interpreted this claim to mean only one other party, which is negotiating in conjunction with the other party.

In claim 18, Claim 18 recites the limitation "said dynamic rule" in conjunction with "a static rule." There is insufficient antecedent basis for this limitation in the claim. Thus, the examiner is interpreting "said dynamic rule" and "wherein compliance of said dynamic rule depends only upon said current state of the negotiation" to be a typographical error and meant to mean "said static rule" and depends "solely on the offer." This meaning is taken directly from the specification and claim 10.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) do not apply to the examination of this application as the application being examined was not (1) filed on or after November 29, 2000, or (2) voluntarily published under 35 U.S.C. 122(b). Therefore, this application is examined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

2.   Claims 1, 3-5, 7, 9, 11, 13-14, 16-17, 18, 20-24, and 26 are rejected under 35 U.S.C. 102(e) as being anticipated by Luke, et al (6,131,087).

As per claim 1, Luke teaches a method for managing an electronic negotiation (Abstract, col. 3, lines 23-29), comprising:

- Sending a negotiation initiating offer object to a first negotiating party for specifying rules of the negotiation and for forming a negotiation initiating offer including specification of at least one attribute (Figs. 1 and 2, col. 5, lines 26-66, col. 6, lines 45-55, col. 9, lines 1-57);

- Receiving the negotiation initiating offer from the first negotiating party (Figs.1 and 2 col. 5, lines 26-66, col. 9, lines 1-57);

- Sending a counter offer object to a second negotiating party for forming a count offer to a target negotiating party, wherein the target negotiating party of the counter offer object is the first negotiating party (Fig. 3, col. 9, lines 57-60);

- Receiving the counter offer from the second negotiating party (Fig. 3; cols. 9-10, lines 60-4);

- Validating the counter offer if the counter offer complies with the rules of the negotiation (Fig. 3; cols. 9-10, lines 60-4); and

- Sending the validated counter offer to the first negotiation party to engage said first and second parties in active negotiation (Fig. 3., cols. 9-10, lines 60-34).

As per claim 3, Luke teaches the method for managing an electronic negotiation of claim 1, wherein said rules of the negotiation includes a rule selected from the group consisting of offer rules, disclosure rules, and deal striking rules (cols. 6-7, lines 56-13; col. 9, lines 35-48; col. 10, lines 57-58).

As per claim 4, Luke teaches the method for managing an electronic negotiation of claim 1, wherein said rules of the negotiation includes a rule selected from the group consisting of a rule allowing said first negotiating party to engage in active negotiation with a plurality of negotiating parties in a switchable bilateral negotiation, a rule allowing said first negotiating party to engage in active negotiation with at least one negotiating party in a concurrent bilateral negotiation, a rule allowing said first negotiating party to engage in active negotiation with exactly one negotiating party in a bilateral negotiation, and a rule allowing each of said negotiation parties to engage in active negotiation at least one other negotiation parties in a many to many multilateral negotiation (cols. 3-4).

As per claim 5, Luke teaches the method for managing an electronic negotiation of claim 1, wherein said rules of the negotiation includes a rule selected from the group consisting of allowing said second negotiating party to engage in active negotiation with only

said first negotiating party and rule allowing said second negotiating party to engage in active

negotiation with a plurality of negotiating parties (cols. 9-11).

As per claim 7, Luke teaches the method for managing an electronic negotiation of

claim 1, wherein said rules of the negotiation includes a rule allowing said first negotiating

party to engage in active negotiation with exactly at least one negotiating party in a

concurrent bilateral negotiation and a rule allowing active negotiation when a corresponding

offer satisfies said offer rules (Figs. 1-3, cols. 6-9).

As per claim 8, Luke teaches a method for managing an electronic negotiation of claim

1, wherein said rules of negotiation includes a rule allowing said first negotiating party to

engage in active negotiation with exactly one negotiating party in a bilateral negotiation and a

rule excluding all other parties from said active negotiation (Fig. 2 - it is a two party system

with no mechanism for additional parties).

As per claim 9, Luke teaches the method for managing an electronic negotiation of

claim 1, wherein at least one of said rules of the negotiation is a dynamic rule and wherein

compliance of said dynamic rule depends upon a history of the negotiation (Figs. 1a, 1b, 2-3;

col. 6, lines 20-45, cols. 9-10, lines 49-34 – evaluation can be entirely automatic based on

parameters chosen by the originator of the offer or solicitation data, archive database,

process may continue as long as necessary to reach agreement on the terms of an

exchange, evaluation of the counter-offers, minimum –maximum and earliest to latest ranges

are dynamic).

As per claim 11, Luke teaches the method for managing an electronic negotiation of

claim 1, wherein said rules of the negotiation includes at least one offer rule selected from the

group consisting of a rule allowing only eligible parties to participate in the negotiation (col. 5,

lines 40-52), a rule requiring each counter offer to improve upon a previous offer, a rule

requiring each counter offer to improve upon a previous offer by a predetermine amount, and

a rule requiring each counter offer to be submitted within a predetermined period of time.

As per claim 13, Luke teaches the method for managing an electronic negotiation of

claim 1, wherein said specification of at least one attribute includes specification of a value

associated with the attribute and specification of a negotiability of the attribute value (Figs.

1a, 1b, 2-3; cols. 6-9).

As per claim 14, Luke teaches the method for managing an electronic negotiation of

claim 1, further comprising:

- Sending the counter offer object to said first negotiating party for forming a

  counter offer to the counter offer of said second negotiating party (Fig. 3; cols.

  9-10, lines 49-34);

- Receiving the counter offer from the first negotiating party (Fig. 3; cols. 9-10,

  lines 49-34);

- Validating the counter offer of the first negotiating party if the counter offer

  complies with the rules of the negotiation (Fig. 3; cols. 9-10, lines 49-34); and

- Sending the validated counter offer of the first negotiating party to the second

  negotiation party (Fig. 3, cols. 9-10, lines 49-34).

As per claim 16, Luke teaches the method for managing an electronic negotiation of

claim 1, further comprising:

- Forming a negotiation state machine upon receiving the negotiation initiating

  offer from the first negotiating party, said negotiation state machine maintaining

the current and previous states of the negotiation (Fig. 3 – software running on

a computer would track each step up until archival, cols. 9-10, lines 49-34); and

- Updating said negotiation state machine with each validated counter offer (Fig.

  3 – cols. 9-10, lines 49-34 – each validated counter offer is updated in the

  negotiation machine as it may become the permanent record for the completed

  transaction).

As per claim 17, Luke teaches the method for managing an electronic negotiation of

claim 16, wherein at least one of said rules of the negotiation is a dynamic rule and wherein

compliance of said dynamic rule depends upon said previous state of the negotiation (Figs. 2-

3; cols. 9-10, lines 49-34 – by utilizing the process outlined in Figs 2A-2B for counter-offers,

this transmits the information that the offer is improving over previous offers – coming closer

to the preferred attributes -, i.e. dynamic).

As per claim 18, Luke teaches the method for managing an electronic negotiation of

claim 16, wherein at least one of said rules of the negotiation is a static rule and wherein

compliance of said dynamic rule depends only upon said current state of the negotiation (Fig.

3; col. 6, lines 45-55 – a participant may not access the system if his identity cannot be

verified by the Account Registry, i.e. a rule relating to which parties are eligible to participate

in the negotiation).

As per claim 20, Luke teaches the method for managing an electronic negotiation of

claim 1, further comprising:

- Receiving an accept offer object for accepting one of said offers from one of

  said negotiating parties (Figs. 3-4, cols. 9-10, lines 49-35);

- Sending an offer acceptance message to said one of said negotiating parties (Figs. 3-4; cols. 9-10, lines 49-63); and

- Forming a deal based upon said rules of the negotiation, wherein said rules of the negotiation includes an offer acceptance rule (Figs. 3-4; cols. 9-10, lines 49-35 – the process can be fully automated, which means there is inherently an offer acceptance rule otherwise the negotiating process could not be fully automated).

As per claim 21, Luke teaches the method for managing an electronic negotiation of claim 1, further comprising:

- Receiving a reject offer object for rejecting one of said offers of one of said negotiating parties from the target of said one of said offers (Fig. 3; cols. 9-10, lines 49-35); and

- Sending a reject offer message to said one of said negotiating parties (Fig. 3; cols. 9-10, lines 49-35).

As per claim 22, Luke teaches the method for managing an electronic negotiation of claim 1, further comprising:

- Receiving a negotiation break off object for breaking off the negotiation with one of said negotiating parties (Fig. 3, cols. 9-10, lines 49-35); and

- Sending an negotiation break off message to said one of said negotiating parties (Fig. 3, cols. 9-10, lines 49-35).

3.   Claims 1-5, 7-18, 20-21, and 23-31 are rejected under 35 U.S.C. 102(a) as being anticipated by interneg.Carleton.ca – INSS.

As per claim 1, INSS teaches a method for managing an electronic negotiation (About INSS), comprising:

- Sending a negotiation initiating offer object to a first negotiating party for specifying rules of the negotiation and for forming a negotiation initiating offer including specification of at least one attribute (About INSS – Using INSS-Preparation);

- Receiving the negotiation initiating offer from the first negotiating party (About INSS – Using INSS – Conduct);

- Sending a counter offer object to a second negotiating party for forming a count offer to a target negotiating party, wherein the target negotiating party of the counter offer object is the first negotiating party (About INSS – Using INSS – Conduct – you and your counterpart exchange a series of offers, i.e. counteroffers);

- Receiving the counter offer from the second negotiating party (About INSS – Using INSS – Conduct);

- Validating the counter offer if the counter offer complies with the rules of the negotiation (About INSS – Using INSS – Conduct – all deals are ranked they may be very low and thus even though passed through would be terminated by the party; see also INSS Negotiation Protocols – Parallel Negotiations – allows negotiators to exchange only complete packages); and

- Sending the validated counter offer to the first negotiation party to engage said first and second parties in active negotiation (About INSS – Using INSS - Conduct).

As per claim 2, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS), wherein said counter offer object is adapted for specification of at least one additional attribute in forming said counter offer (INSS – Negotiation Protocols – New Values for Discrete and Ordered Issues and New Issues)

As per claim 3, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS- About INSS) wherein said rules of the negotiation includes a rule selected from the group consisting of offer rules, disclosure rules, and deal striking rules (INSS – Negotiation Protocols – Parallel Negotiations, Sequential Negotiations, Specifying Your Best Alternative to the Negotiated Agreement (BATNA); INSS – About INSS – Using INSS – Preparation – identify the stakeholders and study the situation).

As per claim 4, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS), wherein said rules of the negotiation includes a rule selected from the group consisting of a rule allowing said first negotiating party to engage in active negotiation with a plurality of negotiating parties in a switchable bilateral negotiation, a rule allowing said first negotiating party to engage in active negotiation with at least one negotiating party in a concurrent bilateral negotiation, a rule allowing said first negotiating party to engage in active negotiation with exactly one negotiating party in a bilateral negotiation, and a rule allowing each of said negotiation parties to engage in active negotiation at least one other negotiation parties in a many to many multilateral negotiation (INSS – About INSS – Five Ways to Use INSS – Negotiation Support System – designed so that two parties who can agree on the issues ...; INSS Glossary - Negotiation Support System).

As per claim 5, INSS teaches the method for managing an electronic negotiation method of claim 1 (INSS – About INSS), wherein said rules of the negotiation includes a rule selected from the group consisting of a rule allowing said second negotiating party to engage in active negotiation with only said first negotiating party and a rule allowing said second negotiating party to engage in active negotiation with a plurality of negotiating parties (INSS Glossary – Negotiation Support System).

As per claim 7, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS), wherein said rules of the negotiation includes a rule allowing said first negotiating party to engage in active negotiation with exactly at least one negotiating party in a concurrent bilateral negotiation and a rule allowing active negotiation when a corresponding offer satisfies said offer rules (INSS – About INSS – Using INSS – Conduct; INSS – About INSS – Five Ways to Use INSS – Negotiation Support System).

As per claim 8, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS), wherein said rules of the negotiation includes a rule allowing said first negotiating party to engage in active negotiation with exactly one negotiating party in a bilateral negotiation and a rule excluding all other parties from said active negotiation (INSS – About INSS – Using INSS – Conduct; INSS – About INSS – Five Ways to Use INSS – Negotiation Support System).

As per claim 9, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS), wherein at least one of said rules of the negotiation is a dynamic rule and wherein compliance of said dynamic rule depends upon a history of the negotiation (Negotiating through INSS – some negotiations have a deadline).

As per claim 10, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS), wherein at least one of said rules of the negotiation is a static rule and wherein compliance of said depends solely upon the offer (INSS – Using INSS: An Example – messages regarding the warranty, price).

As per claim 11, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS), wherein said rules of the negotiation includes at least one offer rule selected from the group consisting of a rule allowing only eligible parties to participate in the negotiation, a rule requiring each counter offer to improve upon a previous offer, a rule requiring each counter offer to improve upon a previous offer by a predetermine amount, and a rule requiring each counter offer to be submitted within a predetermined period of time (INSS – About INSS – Five Ways to Use INSS – Negotiation Support System; Negotiating Through INSS – Getting Started).

As per claim 12, INSS teaches the method for managing an electronic negotiation for claim 1 (INSS – About INSS), wherein said rules of the negotiation includes at least one deal striking rule selected from the group consisting of a rule forming a deal upon acceptance of an offer by one of said parties, a rule allowing each of said parties to the negotiation to submit one more offer prior to forming a deal and after acceptance of an offer by one of said parties, and a rule allowing each of said parties to the negotiation to submit offers for a predetermined period of time prior to forming a deal after acceptance of an offer by one of said parties (INSS – About INSS – Using INSS – Post Settlement; Negotiation through INSS – Introduction)

As per claim 13, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS), wherein said specification of at least one attribute includes specification of a value associated with the attribute and specification of a negotiability of the

attribute value (INSS – About INSS – Using INSS – Preparation – preference elicitation

through ratings and options and explained in the Example).

As per claim 14, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS), further comprising:

- Sending the counter offer object to said first negotiating party for forming a

  counter offer to the counter offer of said second negotiating party (INSS FAQ 4;

  INSS – About INSS – Using INSS – Conduct – you and your counter part

  exchange a series of messages and offers, i.e. counter offers);

- Receiving the counter offer from the first negotiating party (INSS – About INSS

  – Using INSS – Conduct);

- Validating the counter offer of the first negotiating party if the counter offer

  complies with the rules of the negotiation (INSS – About INSS – Using INSS –

  Conduct; INSS – Negotiation Protocols – Parallel Negotiations - see

  explanation claim 1); and

- Sending the validated counter offer of the first negotiating party to the second

  negotiation party 9INSS – About INSS – Using INSS – Conduct; INSS –

  Negotiation Protocols – Parallel Negotiations).

As per claim 15, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS), further comprising:

- Sending the counter offer object to a third negotiating party for forming a third

  party counter offer to said negotiation initiating offer (INSS FAQ 4; INSS –

  About INSS – Using INSS – Conduct – you and your counter part exchange a

  series of messages and offers, i.e. counter offers);

- Receiving the third party counter offer from the third negotiating party (INSS – About INSS – Using INSS – Conduct);

- Validating the counter offer of the third negotiating party if the counter offer complies with the rules of the negotiation (INSS – About INSS – Using INSS – Conduct; INSS – Negotiation Protocols – Parallel Negotiations - see explanation claim 1); and

- Sending the validated counter offer of the third negotiating party to the first negotiation party (INSS – About INSS – Using INSS – Conduct; INSS – Negotiation Protocols – Parallel Negotiations).

As per claim 16, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS), further comprising:

- Forming a negotiation state machine upon receiving the negotiation initiating offer from the first negotiating party, said negotiation state machine maintaining the current and previous states of the negotiation (INSS – About INSS – Five Ways to Use INSS – Negotiation Support System; INSS – About INSS – Using INSS – Conduct; INSS - Using INSS: An Example); and

- Updating said negotiation state machine with each validated counter offer (INSS – About INSS – Five Ways to Use INSS – Negotiation Support System; INSS – About INSS – Using INSS – Conduct: INSS – Using INSS: An Example).

Method claim 17 is rejected for the same reasons set forth in claim 9.

Method claim 18 is rejected for the same reasons set forth in claim 10.

As per claim 20, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS), further comprising:

- Receiving an accept offer object for accepting one of said offers from one of said negotiating parties (INSS – About INSS – Using INSS – Post Settlement; INSS – Using INSS: An Example);

- Sending an offer acceptance message to said one of said negotiating parties (INSS – About INSS – Using INSS – Post Settlement; INSS – Using INSS: An Example); and

- Forming a deal based upon said rules of the negotiation, wherein said rules of the negotiation includes an offer acceptance rule (INSS – About INSS – Using INSS – Post Settlement; INSS – Using INSS: An Example).

As per claim 21, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS), further comprising:

- Receiving a reject offer object for rejecting one of said offers of one of said negotiating parties from the target of said one of said offers (INSS – Using INSS: An Example – the offer was initially rejected, although countered and then accepted); and

- Sending a reject offer message to said one of said negotiating parties (INSS – Using INSS: An Example – the offer was initially rejected, although countered and then accepted).

System claim 23 is rejected for the same reasons set forth in claims 1 and 2.

System claim 24 is rejected for the same reasons as claim 14.

System claim 25 is rejected for the same reasons as claim 15.

System claim 26 is rejected for the same reasons as claim 16.

The computer program product on a computer readable medium claim 27 is rejected

for the same reasons as claims 1 and 2.

The computer program product on a computer readable medium claim 28 is rejected

for the same reasons as claims 1 and 2. See also Internet Support Tools and Aids.

The computer program product on a computer readable medium claim 29 is rejected

for the same reasons as claim 14.

The computer program product on a computer readable medium claim 30 is rejected

for the same reasons as claim 15.

The computer program product on a computer readable medium claim 31 is rejected

for the same reasons as claim 16.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in
> section 102 of this title, if the differences between the subject matter sought to be patented and the prior art
> are such that the subject matter as a whole would have been obvious at the time the invention was made to a
> person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be
> negatived by the manner in which the invention was made.

4.   Claims 1-31 are rejected under 35 U.S.C. 103(a) as being unpatentable over

interneg.Carleton.ca – INSS as applied to claims 1-5, 7-18, 20-21, and 23-31 above, and

further in view of Kersten, Negotiation Support Systems and Negotiating Agents, Colloque

SMAGET, October 5-8, 1998 and Bigus, et al. (6,401,080).

Kersten teaches that they are developing the Internet Negotiation Support System

(INSS). Additionally, Kersten teaches that a direction of development for INSS involves

negotiating software agents, which may be autonomous software agents that engage in

negotiations with others (pg. 5). Moreover, Kersten teaches that autonomous software

agents are already available. (pg. 5). Therefore, it would have been obvious to one of

ordinary skill in the art at the time of the invention to have utilized the intelligent agents of

Bigus, et al. within the INSS system as explicitly taught by Kersten.

As per claim 1, INSS teaches a method for managing an electronic negotiation (About

INSS; Bigus – Abstract; cols. 3-4), comprising:

- Sending a negotiation initiating offer object to a first negotiating party for

  specifying rules of the negotiation and for forming a negotiation initiating offer

  including specification of at least one attribute (About INSS – Using INSS-

  Preparation; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58);

- Receiving the negotiation initiating offer from the first negotiating party (About

  INSS – Using INSS – Conduct; Bigus – col. 8, lines 59-65);

- Sending a counter offer object to a second negotiating party for forming a count

  offer to a target negotiating party, wherein the target negotiating party of the

  counter offer object is the first negotiating party (About INSS – Using INSS –

  Conduct – you and your counterpart exchange a series of offers, i.e.

  counteroffers; Bigus – Fig. 5; col. 9, lines 33-56);

- Receiving the counter offer from the second negotiating party (About INSS –

  Using INSS – Conduct; Bigus – Fig. 5; col. 9, lines 33-56);

- Validating the counter offer if the counter offer complies with the rules of the

  negotiation (About INSS – Using INSS – Conduct – all deals are ranked they

  may be very low and thus even though passed through would be terminated by

the party; see also INSS Negotiation Protocols – Parallel Negotiations – allows

negotiators to exchange only complete packages; Bigus – Fig. 5; col. Col. 9,

lines 33-56); and

- Sending the validated counter offer to the first negotiation party to engage said

   first and second parties in active negotiation (About INSS – Using INSS –

   Conduct; Bigus – Fig. 5; col. 9, lines 33-56).

As per claim 2, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58),

wherein said counter offer object is adapted for specification of at least one additional

attribute in forming said counter offer (INSS – Negotiation Protocols – New Values for

Discrete and Ordered Issues and New Issues)

As per claim 3, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS- About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58) wherein

said rules of the negotiation includes a rule selected from the group consisting of offer rules,

disclosure rules, and deal striking rules (INSS – Negotiation Protocols – Parallel Negotiations,

Sequential Negotiations, Specifying Your Best Alternative to the Negotiated Agreement

(BATNA); INSS – About INSS – Using INSS – Preparation – identify the stakeholders and

study the situation; Bigus – col. 15, lines 33-41, col. 16, lines 37-41).

As per claim 4, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58),

wherein said rules of the negotiation includes a rule selected from the group consisting of a

rule allowing said first negotiating party to engage in active negotiation with a plurality of

negotiating parties in a switchable bilateral negotiation, a rule allowing said first negotiating

party to engage in active negotiation with at least one negotiating party in a concurrent

bilateral negotiation, a rule allowing said first negotiating party to engage in active negotiation

with exactly one negotiating party in a bilateral negotiation, and a rule allowing each of said

negotiation parties to engage in active negotiation at least one other negotiation parties in a

many to many multilateral negotiation (INSS – About INSS – Five Ways to Use INSS –

Negotiation Support System – designed so that two parties who can agree on the issues ...;

INSS Glossary - Negotiation Support System; Bigus – col. 9, lines 58-63 – agent rules can be

bilateral, concurrent, switchable, etc.).

As per claim 5, INSS teaches the method for managing an electronic negotiation

method of claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-

58), wherein said rules of the negotiation includes a rule selected from the group consisting of

a rule allowing said second negotiating party to engage in active negotiation with only said

first negotiating party and a rule allowing said second negotiating party to engage in active

negotiation with a plurality of negotiating parties (INSS Glossary – Negotiation Support

System; Bigus – col. 9, lines 58-63 agent rules vary and can permit one to many or many to

one, the system is not limited as set forth).

As per claim 6, INSS teaches as set forth above for claim 6. However, INSS does not

teach that rules of negotiation include a rule allows said first negotiating party to engage in

active negotiation with a plurality of negotiating parities in a switchable bilateral negotiation

and a rule allowing switching of active negotiation only when a competing offer improves

upon a previous offer by a predetermined amount. Bigus teaches that negotiations may be

conducted with more than one other party at a time using separate execution or other context

switching mechanism (col. 9, lines 58-63). Bigus also teaches that one or more operating

parameters of the routine are randomized and/or constrained to improve the negotiation

performance of the agent in order to limit unproductive negotiation (cols. 9-10, lines 64-10).

One context switching mechanism/operating parameter of the routine that could be

randomized would be a rule allowing switching of active negotiation only when a competing

offer improves upon a previous offer by a predetermined amount. It would have been

obvious to one of ordinary skill in the art to have added such a rule to the Bigus agent for

incorporation into the INSS system as such a rule would limit unproductive negotiations,

ensure that the "buyer" was receiving as good a deal as the agent designer believed

possible, i.e. maximizing profits and would enhance the efficiency of the overall negotiation

process.

As per claim 7, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58),

wherein said rules of the negotiation includes a rule allowing said first negotiating party to

engage in active negotiation with exactly at least one negotiating party in a concurrent

bilateral negotiation and a rule allowing active negotiation when a corresponding offer

satisfies said offer rules (INSS – About INSS – Using INSS – Conduct; INSS – About INSS –

Five Ways to Use INSS – Negotiation Support System).

As per claim 8, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58),

wherein said rules of the negotiation includes a rule allowing said first negotiating party to

engage in active negotiation with exactly one negotiating party in a bilateral negotiation and a

rule excluding all other parties from said active negotiation (INSS – About INSS – Using INSS

– Conduct; INSS – About INSS – Five Ways to Use INSS – Negotiation Support System;

Bigus – Fig. 5).

As per claim 9, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58),

wherein at least one of said rules of the negotiation is a dynamic rule and wherein

compliance of said dynamic rule depends upon a history of the negotiation (Negotiating

through INSS – some negotiations have a deadline; Bigus – cols. 18-24).;

As per claim 10, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58),

wherein at least one of said rules of the negotiation is a static rule and wherein compliance of

said depends solely upon the offer (INSS – Using INSS: An Example – messages regarding

the warranty, price; Fig. 5 - Timer).

As per claim 11, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS), wherein said rules of the negotiation includes at least one offer

rule selected from the group consisting of a rule allowing only eligible parties to participate in

the negotiation, a rule requiring each counter offer to improve upon a previous offer, a rule

requiring each counter offer to improve upon a previous offer by a predetermine amount, and

a rule requiring each counter offer to be submitted within a predetermined period of time

(INSS – About INSS – Five Ways to Use INSS – Negotiation Support System; Negotiating

Through INSS – Getting Started; Bigus – Fig. 5; col. 16, lines 36-41).

As per claim 12, INSS teaches the method for managing an electronic negotiation for

claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58),

wherein said rules of the negotiation includes at least one deal striking rule selected from the

group consisting of a rule forming a deal upon acceptance of an offer by one of said parties, a

rule allowing each of said parties to the negotiation to submit one more offer prior to forming

a deal and after acceptance of an offer by one of said parties, and a rule allowing each of

said parties to the negotiation to submit offers for a predetermined period of time prior to

forming a deal after acceptance of an offer by one of said parties (INSS – About INSS –

Using INSS – Post Settlement; Negotiation through INSS – Introduction; Bigus – Fig. 5)

As per claim 13, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58),

wherein said specification of at least one attribute includes specification of a value associated

with the attribute and specification of a negotiability of the attribute value (INSS – About INSS

– Using INSS – Preparation – preference elicitation through ratings and options and

explained in the Example; Bigus – Fig. 6 – adjust value of previous asked price).

As per claim 14, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58), further

comprising:

- Sending the counter offer object to said first negotiating party for forming a

  counter offer to the counter offer of said second negotiating party (INSS FAQ 4;

  INSS – About INSS – Using INSS – Conduct – you and your counter part

  exchange a series of messages and offers, i.e. counter offers; Bigus – Fig. 5 –

  Response is counter-offer; cols. 9-10;);

- Receiving the counter offer from the first negotiating party (INSS – About INSS

  – Using INSS – Conduct; Bigus – Fig. 5; cols. 9-10);

- Validating the counter offer of the first negotiating party if the counter offer complies with the rules of the negotiation (INSS – About INSS – Using INSS – Conduct; INSS – Negotiation Protocols – Parallel Negotiations - see explanation claim 1; Bigus – Fig. 5; cols. 9-10); and

- Sending the validated counter offer of the first negotiating party to the second negotiation party INSS – About INSS – Using INSS – Conduct; INSS – Negotiation Protocols – Parallel Negotiations; Bigus – Fig. 5; cols. 9-10).

As per claim 15, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58), further comprising:

- Sending the counter offer object to a third negotiating party for forming a third party counter offer to said negotiation initiating offer (INSS FAQ 4; INSS – About INSS – Using INSS – Conduct – you and your counter part exchange a series of messages and offers, i.e. counter offers; Bigus – Fig. 5; cols. 9-10 – as there can be multiple parties there would be third party counter offers which would follow the same pattern);

- Receiving the third party counter offer from the third negotiating party (INSS – About INSS – Using INSS – Conduct; Bigus – Fig. 5; cols. 9-10);

- Validating the counter offer of the third negotiating party if the counter offer complies with the rules of the negotiation (INSS – About INSS – Using INSS – Conduct; INSS – Negotiation Protocols – Parallel Negotiations - see explanation claim 1; Bigus – Fig. 5; cols. 9-10); and

- Sending the validated counter offer of the third negotiating party to the first

   negotiation party (INSS – About INSS – Using INSS – Conduct; INSS –

   Negotiation Protocols – Parallel Negotiations; Bigus – Fig. 5; cols. 9-10).

As per claim 16, INSS teaches the method for managing an electronic negotiation of

claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58), further

comprising:

- Forming a negotiation state machine upon receiving the negotiation initiating

   offer from the first negotiating party, said negotiation state machine maintaining

   the current and previous states of the negotiation (INSS – About INSS – Five

   Ways to Use INSS – Negotiation Support System; INSS – About INSS – Using

   INSS – Conduct; INSS - Using INSS: An Example; Bigus – entire patent agents

   in conjunctions with INSS); and

- Updating said negotiation state machine with each validated counter offer

   (INSS – About INSS – Five Ways to Use INSS – Negotiation Support System;

   INSS – About INSS – Using INSS – Conduct: INSS – Using INSS: An

   Example).

Method claim 17 is rejected for the same reasons set forth in claim 9.

Method claim 18 is rejected for the same reasons set forth in claim 10.

As per claim 19, INSS and Bigus teach as set forth in claim 1. However, INSS does

not teach receiving retraction of an offer or the associated steps set forth. Bigus teaches:

- Receiving a request for a retraction of an offer from one of said negotiating

   parties (Fig. 5 – Timer expired; col. 9, lines 23-32);

- Validating the retraction request if the request complies with the rules of the negotiation wherein said rules of the negotiation includes an offer retraction rule (Fig. 5 – Timer expired; col. 9, lines 23-32)

- Retracting said offer if the retraction request is valid (Fig. 5 – withdraw, i.e. retract offer; col. 9, lines 23-32);

- Sending an offer retraction message to the target of the offer if the offer is retracted (col. 9, lines 23-32).

As per claim 20, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58), further comprising:

- Receiving an accept offer object for accepting one of said offers from one of said negotiating parties (INSS – About INSS – Using INSS – Post Settlement; INSS – Using INSS: An Example; Bigus – Fig. 5; col. 9, lines 33-42);

- Sending an offer acceptance message to said one of said negotiating parties (INSS – About INSS – Using INSS – Post Settlement; INSS – Using INSS: An Example; Bigus – Fig. 5; col. 9, lines 33-42); and

- Forming a deal based upon said rules of the negotiation, wherein said rules of the negotiation includes an offer acceptance rule (INSS – About INSS – Using INSS – Post Settlement; INSS – Using INSS: An Example; Bigus – Fig. 5; col. 9, lines 33-42).

As per claim 21, INSS teaches the method for managing an electronic negotiation of claim 1 (INSS – About INSS; Bigus - Figs. 4-5; col. 7, lines 46-67, col. 8, lines 24-58), further comprising:

- Receiving a reject offer object for rejecting one of said offers of one of said negotiating parties from the target of said one of said offers (INSS – Using INSS: An Example – the offer was initially rejected, although countered and then accepted; Bigus – Fig. 5 – not acceptable/don't counter offer/negotiation complete; col. 9, lines 43-49); and

- Sending a reject offer message to said one of said negotiating parties (INSS – Using INSS: An Example – the offer was initially rejected, although countered and then accepted; Bigus – Fig. 5 – not acceptable/don't counter offer/negotiation complete; col. 9, lines 43-49).

As per claim 22, INSS and Bigus teach as set for in claim 1. However, INSS does not explicitly teach breaking off the negotiations with one of the negotiating parties. Both rejecting an offer and retracting an offer result in a form of breaking off of negotiations with one of the parties and thus claim 22 is rejected for the reasons set forth in claims 19 and 21. Furthermore, Bigus teaches that as a result of volatile market conditions pending offers may be withdrawn until trading volatility decreases, i.e. broken off (col. 24, lines 10-18). As previously set forth in claim 19 the withdraw steps would be followed and a message sent.

System claim 23 is rejected for the same reasons set forth in claims 1 and 2.

System claim 24 is rejected for the same reasons as claim 14.

System claim 25 is rejected for the same reasons as claim 15.

System claim 26 is rejected for the same reasons as claim 16.

The computer program product on a computer readable medium claim 27 is rejected for the same reasons as claims 1 and 2.

The computer program product on a computer readable medium claim 28 is rejected for the same reasons as claims 1 and 2. See also Internet Support Tools and Aids.

The computer program product on a computer readable medium claim 29 is rejected for the same reasons as claim 14.

The computer program product on a computer readable medium claim 30 is rejected for the same reasons as claim 15.

The computer program product on a computer readable medium claim 31 is rejected for the same reasons as claim 16.
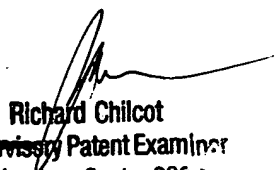
Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jennifer I. Harle whose telephone number is 703.306.2906. The examiner can normally be reached on Monday through Thursday, 6:00 a.m. to 5:00 p.m..

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Robert P. Olszewski can be reached on 703.305.9643. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

Jennifer Ione Harle
December 16, 2002

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